

CONTINUING ANNUAL AND EVENT DISCLOSURES

The following disclosures comply with amendments of the Securities and Exchange Commission (SEC) Rule 15c2-12 (b)(5)(i)(A) to (D). Effective in 1995, the amendments required municipal bond underwriters to gain reasonable assurance from bond issuers that they will provide annual information and notices of material events for disclosure to the secondary bond market. To enter the bond market, the District and other issuers of state and local government securities are indirectly affected by these amendments.

We are using this section of the District's Comprehensive Annual Financial Report to comply with our continuing disclosure agreement.

DISTRICT AGREEMENT AND EFFECTIVE DATES

In respective Bond Resolutions, the District agreed to provide continuing disclosure of (a) annual information and (b) notices of material events upon issuing its

- Special Obligation Land Acquisition Refunding Bonds, Series 1995 and
- Special Obligation Land Acquisition Bonds, Series 1996.

We are also providing this information for the only other outstanding District bonds:

- Special Obligation Land Acquisition Refunding Bonds, Series 1993.

SUMMARY OF CONTINUING BOND DISCLOSURE REQUIREMENTS				
Recipient	Annual Financial Information	Audited Annual Financial Statements	Notice of Material Events	Notice of Failure to Provide Annual Financial Information
	SEC Rule 15c2-12 (b)(5)(i)(A)	SEC Rule 15c2-12 (b)(5)(i)(B)	SEC Rule 15c2-12 (b)(5)(i)(C)	SEC Rule 15c2-12 (b)(5)(i)(D)
	Effective FYE (1) After Jan. 1, 1996	Effective FYE (1) After Jan. 1, 1996	Effective July 3, 1995	Effective April 1 After FYE (1)
Each MRMSIR (2) or the MSRB (3)			X	X
Each MRMSIR (2)	X	X		
Paying Agent (4)	X	X	X	X
Underwriters (4)	X	X	X	X
(1) For the District, the date first effective was for Fiscal Year Ended (FYE) September 30, 1996. (2) Nationally Recognized Municipal Securities Information Repository. (3) Municipal Securities Rulemaking Board. (4) Required under Governing Board Resolution 95-28, Section 24, in connection with the issuance of the Special Obligation Land Acquisition Refunding Bonds, Series 1995.				

ANNUAL FINANCIAL INFORMATION

SEC Rule 15c2-12(b)(5)(i)(A) requires annual financial information and operating data that are generally consistent with the presentation included in the Official Statements for each bond issue. The following paragraphs summarize the “Security for the Bonds” appearing in the Official Statements. Subsequent paragraphs, tables and exhibits contain the required financial information and operating data to include

- pledged revenues,
- funding and allocation of monies and deposits of the Trust Fund, and
- historical debt service coverage.

SECURITY FOR THE BONDS

The Bonds are secured by a first lien on and payable solely from the “Pledged Revenues” as provided in the Bond Resolution.

The Bonds are limited obligations of the District. As such, the District, the State of Florida, or any public body in the State shall not

- pledge its full faith and credit to the payment of bond principal, interest or premium; or
- directly or indirectly be contingently obligated to levy any taxes or to make any appropriation for payment except from the pledged revenues for debt service on the Bonds.

Pledged Revenues consist of all monies collected, allocated to the District, and deposited in the Water Management Lands Trust Fund (the “Trust Fund”) which consist of:

- a share of the Documentary Stamp Tax,
- investment earnings and civil penalties.

The pledged revenues equally and ratably secure the Series 1993, 1995 and 1996 Bonds. The Florida Department of Environmental Protection maintains the Trust Fund.

DOCUMENTARY STAMP TAX

The State of Florida imposes an excise tax on documents (the “Documentary Stamp Tax”). Under current law, the Documentary Stamp Tax is levied upon certain instruments whereby interests in real property are conveyed, original issues of stock, bonds and debentures issued in the State of Florida, promissory notes or other written obligations to pay money, and mortgages recorded in the State of Florida. In general, the amount of the Documentary Stamp Tax due with respect to an instrument is based upon the amount of indebtedness evidenced or secured thereby, or in the case of documents transferring interests in property, upon the consideration for the transfer, or, in the case of stocks and bonds, upon the face value or actual value thereof.

The Documentary Stamp Tax is collected by the Florida Department of Revenue (DOR) and by the Clerks of the Circuit Courts of the counties in Florida on behalf of the DOR. The Documentary Stamp Tax is distributed, for various purposes, pursuant to a statutorily-prescribed formula.

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Under current law, the DOR distributes the Documentary Stamp Tax collections and investment earnings, thereon, as follows:

- The first 7% to the State of Florida General Revenue Fund to pay a portion of the costs of general government.
- The costs of collection and enforcement of the Documentary Stamp Tax are deducted by and for the use of the Department of Revenue.
- A portion of the then remaining Documentary Stamp Tax collections (including investment earnings) are required to be deposited in the Trust Fund.

There is no assurance that the Florida Legislature will not change the percentage allocations to the General Fund, the Documentary Stamp Tax collections to the Trust Fund, or the percentage of the Trust Fund allocable to the District. Effective July 1, 2001, the Legislature amended Chapter 201, Florida Statutes, changing the percentage of documentary stamp taxes allocated to the Trust Fund from 5.84% to 4.2%. Although this change in allocation will affect distributions to the Trust Fund, there exists an implied contract with the State to allocate sufficient documentary stamp revenues to cover debt service.

The following table illustrates the historical taxation rates and percentage distribution to the Trust Fund.

HISTORICAL DOCUMENTARY STAMP TAX RATES AND TRUST FUND DISTRIBUTION			
Year Effective	Tax (Per \$100) Stocks/Bonds/Mortgages	Tax (Per \$100) Deeds	Percent to Trust Fund
1963	\$.15	--	--
1981		\$.45	7.20%
1985		\$.50	9.80%
1987		\$.55	9.20%
1990	\$.32		6.90%
1991		\$.60	6.56%
1992	\$.35	\$.70	5.84%

FUNDING AND ALLOCATION OF THE TRUST FUND

Deposits distributed to the Trust Fund began accruing to the District and the State's other four water management districts in August 1981. Under present law, moneys from the Trust Fund (net of DEP's administrative expenses) are allocated monthly among the State's five water management districts in the following percentages:

- 30% - South Florida
- 25% - St. Johns River
- 25% - Southwest Florida
- 10% - Suwannee River
- 10% - Northwest Florida

DOCUMENTARY STAMP COLLECTIONS AND DEBT SERVICE COVERAGE

Exhibit L-1 (Page V-7) entitled “Historical Documentary Stamp Tax Collections and Debt Service Coverage” reflects Documentary Stamp Tax collections, but not any investment income thereon, refunds or other adjustments (including DOR administrative fees) to the account from which distributions are made by the Department of Revenue. Therefore, variations in the percentage of Documentary Stamp Tax collections distributed to the Trust Fund are reflected therein.

The projections of “Documentary Stamp Tax Collections and Debt Service Coverage” in Exhibit L-1 are based in part upon the assumptions that the Documentary Stamp Tax rates and percentage of total revenues allocated to the Trust Fund shall remain constant with the above table and that the percentage of the amounts in the Trust Fund allocated to the District shall remain at 30%.

USE OF THE TRUST FUND

Expenditure of moneys from the Trust Fund is limited to payment of debt service and the acquisition, management, maintenance and capital improvement costs of certain lands included within the District’s Five-Year Plan and to DEP’s cost to administer the Trust Fund. The District is authorized to issue revenue bonds payable from amounts in the Trust Fund only for such purposes.

Moneys in the Trust Fund not needed to meet land acquisition and management costs, or current debt service, are invested by the State Treasurer to the credit of the Trust Fund, in the manner provided by Florida law. Interest received on such investments is credited to the Trust Fund and proportionally allocated to the District.

A Life-to-Date Analysis of the District’s account within the Water Management Lands Trust Fund appears on Exhibit L-2 (Page V-8).

ESCROW AND RESERVE FUNDS

Security for payment of debt service on outstanding bonds is provided from two sources:

- An Escrow Fund within the Trust Fund and
- A Surety Bond issued by MBIA and held by the Trustee.

Trust Fund Escrow

An agreement between the District and the Florida Department of Environmental Protection (DEP) requires DEP to set aside and escrow from the first moneys allocable to the District in the Trust Fund, sufficient moneys for the payment of principal and interest on the Bonds becoming due in such Bond Year. DEP is obligated to pay Trust Fund moneys sufficient to pay debt service as it becomes due on the Bonds to the District’s Paying Agent. However, such payment shall not exceed the District’s cumulative portion of funds in the Trust Fund.

Debt Service Reserve Fund/Surety Bond

The Bond Resolution provides for establishment and maintenance of the Reserve Fund for the purpose of making deposits in the Debt Service Fund in the event the moneys therein are insufficient for the payment of sums due on the Bonds, and for no other purpose. Moneys on deposit in the Reserve Fund shall be

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maintained for the benefit of the holders of the Series 1993, 1995, and 1996 Bonds, and any parity obligations of the District issued pursuant to the Resolution.

The District is required to have on deposit in the Reserve Fund an amount of money and/or Debt Service Reserve Fund Surety Bonds equal to the Reserve Fund Requirement. Beginning in 1995, the District obtained a Debt Service Reserve Fund Surety Bond to meet this requirement. The Reserve Fund Requirement is defined in the Resolution to mean, at any time, an amount equal to the lesser of

- (a) the maximum amount of principal and interest on all outstanding bonds due in any succeeding fiscal year, or
- (b) the aggregate of ten (10%) of the original proceeds of each series of bonds.

ANNUAL DEBT SERVICE REQUIREMENTS

Debt service requirements on the Series 1993, 1995 and 1996 Bonds are as follows:

ANNUAL DEBT SERVICE (Principal & Interest) REQUIREMENTS (Millions)				
Bond Years Ending October 1	Total	Series 1993	Series 1995	Series 1996
2001	\$7.93	\$2.07	\$2.37	\$3.49
2002	7.03	2.07	2.38	2.58
2003	7.03	2.07	2.37	2.59
2004	7.03	2.07	2.38	2.58
2005	7.03	2.07	2.37	2.59
2006-2010	35.15	21.39	0.87	12.89
2011-2015	35.15	22.26	--	12.89
Total	\$106.35	\$54.00	\$12.74	\$39.61

AUDITED ANNUAL FINANCIAL STATEMENTS

Section II of this Comprehensive Annual Financial Report contains the District's General Purpose Financial Statements and related Report of Independent Certified Public Accountants. These statements are consistent with the General Purpose Financial Statements contained in the Official Statements in compliance with SEC Rule 15c2-12(b)(5)(i)(A) and (B).

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REQUIRED NOTICES

The following table lists each material event and required notice defined in SEC Rule 15c2-12(b)(5)(i)(C) and (D). Since none occurred, the table confirms that no notice to the NRMSIR or the MSRB and the SID was required for any of the material events related to each of the indicated Land Acquisition Bond Series currently outstanding. This confirms compliance with SEC Rule 15c2-12(b)(5)(i)(C) and (D) from July 3, 1995 to the date of this report.

NOTICE OF MATERIAL EVENTS OR FAILURE TO PROVIDE REQUIRED ANNUAL FINANCIAL INFORMATION		LAND ACQUISITION BONDS		
RULE SEC.	DESCRIPTION	SERIES 1993	SERIES 1995	SERIES 1996
(C)(1)	Principal and interest payment delinquencies.	None	None	None
(C)(2)	Non-payment related defaults.	None	None	None
(C)(3)	Unscheduled draws on debt service reserves Reflecting financial difficulties.	None	None	None
(C)(4)	Unscheduled draws on credit enhancements Reflecting financial difficulties.	None	None	None
(C)(5)	Substitution of credit or liquidity providers, or their Failure to perform	None	None	None
(C)(6)	Adverse tax opinions or events affecting the Tax-exempt status of the security.	None	None	None
(C)(7)	Modifications to rights of security holders.	None	None	None
(C)(8)	Bond calls.	None	None	None
(C)(9)	Defeasances.	None	None	None
(C)(10)	Release, substitution, or sale of property securing Repayment of the securities.	None	None	None
(C)(11)	Ratings changes.	None	None	None
(*)	Default of the Florida Department of Environmental Protection on its obligations under the Agreement.	None	None	None
(D)	Failure to provide annual financial information or Operating data in a timely manner.	None	None	None
(*) Required under Governing Board Resolution 95-28, Section 24, in connection with the issuance of the Special Obligation Land Acquisition Refunding Bonds, Series 1995.				

HISTORICAL DOCUMENTARY STAMP TAX COLLECTIONS AND DEBT SERVICE COVERAGE

ACTUAL FOR STATE FISCAL YEARS JUNE 30 1982 - 2000

PROJECTED FOR STATE FISCAL YEARS JUNE 30, 2001 - 2010

STATE OF FLORIDA				DISTRICT	
State Fiscal Year Ended June 30 (1)	State Documentary Stamp Tax Collections (2)	State Distribution to the Trust Fund (3)	Trust Fund Allocations to the District (4)	Annual Debt Service Requirements & Coverage on Outstanding Bonds	
				Debt Service Requirements (5)	Coverage Ratio (6)
<u>Actual:</u>					
1982 (7)	\$ 189,444,748	\$ 13,605,440	\$ 4,081,632	\$ -	-
1983	207,634,834	14,324,658	4,297,397	-	-
1984	297,677,436	20,679,363	6,203,809	3,440,013	1.80 x
1985	305,535,647	21,002,846	6,300,854	4,369,950	1.44 x
1986	339,915,253	31,611,716	9,483,515	4,952,902	1.91 x
1987	416,107,536	39,161,833	11,748,550	4,653,525	2.52 x
1988	441,037,757	40,223,846	12,067,154	4,654,975	2.59 x
1989	447,526,574	40,137,549	12,041,265	4,651,230	2.59 x
1990	429,586,620	37,918,001	11,375,400	4,653,237	2.44 x
1991	469,952,103	28,982,217	8,694,665	4,654,627	1.87 x
1992	504,021,673	28,222,688	8,466,806	4,650,607	1.82 x
1993	639,012,875	32,616,494	9,784,948	4,650,957	2.10 x
1994	774,924,927	42,821,383	12,846,415	4,451,184	2.89 x
1995	695,282,881	37,375,100	11,212,530	2,072,709	5.41 x
1996	775,150,811	41,066,768	12,320,030	5,297,815	2.33 x
1997	844,220,724	45,171,478	13,551,443	7,935,048	1.71 x
1998	1,045,380,664	55,025,629	16,507,689	7,932,147	2.08 x
1999	1,185,139,025	63,082,396	18,924,719	7,935,483	2.38 x
2000	1,223,466,711	64,856,663	14,656,999	7,929,122	1.85 x
<u>Projected:</u>					
2001	1,234,100,000	66,100,000	19,830,000	7,933,455	2.50 x
2002	1,277,000,000	49,200,000	14,760,000	7,031,905	2.10 x
2003	1,321,200,000	50,900,000	15,270,000	7,030,470	2.17 x
2004	1,366,700,000	52,600,000	15,780,000	7,027,925	2.25 x
2005	1,412,800,000	54,400,000	15,720,000	7,028,485	2.32 x
2006	1,457,700,000	56,200,000	16,320,000	7,028,815	2.40 x
2007	1,502,100,000	57,900,000	16,860,000	7,032,605	2.47 x
2008	1,547,300,000	59,600,000	17,370,000	7,028,127	2.54 x
2009	1,591,800,000	61,300,000	18,390,000	7,028,337	2.62 x
2010	1,637,000,000	63,100,000	18,930,000	7,028,755	2.69 x

(1) Represents the State's fiscal year of June 30; not the District's fiscal year of September 30 on Exhibit N-2.

(2) Source: Legislative Division of Economic and Demographic Research, The Florida Legislature.

(3) Actual Source-DEP Analysis of Fund Status & Activity.

Projected Source-The Florida Legislature, Joint Legislative Management Committee, Division of Economic and Demographic Research, Long Term Documentary Stamp Tax Forecasts-Post Session, Consensus Estimating Conference, Book 2, "Revenue Analysis", Volume 16, Summer 2000.

Distributions to the Trust Fund represent 5.84% of State of Florida Documentary Stamp Tax revenue forecast in accordance with Chapter 201, Florida Statutes. Amounts have been expressed net of certain DOR administrative expenses and are rounded to the nearest \$100,000.

(4) Allocations to the District exclude civil penalties or investment earnings on amounts within the Trust Fund.

(5) Represents debt service principal and interest requirements for bond years ending October 1.

(6) Represents the number of times the documentary stamp allocations (excluding interest income and civil penalties; see Exhibit N-2) to the District within the Trust Fund cover the annual debt service principal and interest requirements.

(7) Distribution of Documentary Stamp Tax revenues to the Water Management Lands Trust Fund began in August 1981.

EXHIBIT L - 2

Water Management Lands Trust Fund - District Account
Life-to-Date Analysis: July 1, 1981 - September 30, 2000

District Fiscal Year Ended Sept. 30 (1)	REVENUES			EXPENDITURES			DISTRICT FUND BALANCE
	Documentary Stamp Taxes	Civil Penalties	Allocated Interest Income	Acquisition/ Maintenance Costs	State (2) Transfers	Debt Service (3) Payments	(4) As Of Sept. 30
1982 (15 months)	\$ 5,055,982	\$ -	\$ 368,476	\$ -	\$ -	\$ -	\$ 5,424,458
1983	4,868,970	-	673,014	6,164,955	-	-	4,801,487
1984	6,185,869	-	643,814	143,407	-	4,208,787	7,278,976
1985	6,737,625	5,000	884,443	-	-	4,339,638	10,566,406
1986	10,364,840	-	1,010,435	1,269,997	-	2,155,571	18,516,113
1987	12,607,498	-	1,424,474	2,645,000	-	4,653,525	25,249,560
1988	11,501,906	97,800	1,603,259	12,842,828	-	4,654,975	20,954,722
1989	11,890,924	160,628	1,916,000	6,889,135	-	4,651,230	23,381,909
1990	10,677,733	32,065	2,272,977	2,397,451	-	3,940,262	30,026,971
1991	8,515,201	100,785	1,772,578	15,930,142	1,782,504	3,898,731	18,804,158
1992	8,624,226	636,971	878,699	15,596,662	435,000	4,650,607	8,261,785
1993	10,563,341	82,827	580,623	4,663,491	-	4,452,043	10,373,042
1994	12,526,086	141,974	551,016	5,533,806	1,067	4,451,184	13,606,061
1995	11,269,447	150,431	897,960	3,426,633	15,968	4,020,190	18,461,108
1996	12,560,685	109,245	1,221,631	7,331,060	15,378	2,425,615	22,580,616
1997	13,644,810	269,839	1,216,323	12,360,575	16,575	7,931,180	17,403,258
1998	17,876,979	403,700	1,526,667	6,017,610	33,020	7,928,657	23,231,317
1999	19,354,065	457,636	1,468,828	3,796,178	25,096	7,931,153	32,759,419
2000	15,353,142	551,778	1,821,704	1,020,436	54,725	7,929,122	41,481,760
Life-To-Date	<u>\$ 210,179,329</u>	<u>\$3,200,679</u>	<u>\$22,732,921</u>	<u>\$ 108,029,366</u>	<u>\$2,379,333</u>	<u>\$84,222,470</u>	<u>\$41,481,760</u>

- (1) Represents the District's fiscal year of September 30; not the State's fiscal year of June 30 on Exhibit N-1.
- (2) Transfers in: FY 1991-92 represent payments of interest in those years to support the Preservation 2000 program. FY 1994-00 represent payments for DEP administrative expenses.
- (3) Represent transfers from the Water Management Lands Trust Fund to the Debt Service Fund held by the Trustee. Amounts will vary from the actual debt service payments due to accumulated monies such as interest earnings in the Debt Service Fund.
- (4) Includes the required escrow amount representing the debt service payments for the next bond year (see Exhibit N-1).